



Alternative Sentencing

Alternative Sentencing

StepHouse Recovery Center's primary concern with alternative sentencing is to provide care for the client and accountability for the courts.

Alternative sentencing lets offenders remain in the community, where they can continue to work, take care of their loved ones and make a contribution to society.

Outpatient drug rehab programs may benefit the offender's family by allowing children to continue having regular contact with their parents.

There is More

Ready to start your recovery journey? Have Questions? Let us know!

Relapse Prevention

Contact Us

Contact Us

Email
info@stephouserecovery.com

Business Hours
24 Hours a Day, 7 Days a Week

Local Number
(714) 394-3494

Toll-Free Number
(888) 923-7623



Address

StepHouse Recovery
Behavioral Health Center
10529 Slater Avenue
Fountain Valley, CA
92708

Other Links

- Addiction Education
- Types of Addictions & Disorders
- Frequently Asked Questions
- Intervention help
- What to Bring
- Career Opportunities

- Why Short Term Treatment Does Not Work
July 6, 2018
- Addiction Recovery Programs
December 12, 2017
- National Meth Awareness Day 2017
November 30, 2017
- Halloween Sobriety Tips
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An Autopsy of Google's Restrictions of Treatment Center Ads

- Some **advertisers** had only a % of their ads removed
- Some **keywords** are completely blacklisted
- Most new advertisers are being denied in general

I'd also like to say this: there is nothing inherently "wrong" with an actual **treatment center** advertising via PPC. Perfectly legal, and no ethical quandaries as long as you follow some basic rules. A lot of the most respected treatment centers use (or at some point have used) PPC / Adwords. In fact, I've spoken with many treatment centers that only got into the PPC game to combat lead brokers using **arbitrage to funnel clients away from their treatment centers**. Google recognized the fact that 50,000+ people per year or more are dying from overdoses, and decided to make a stand.

Today I'm not here to talk about shady treatment centers, phone rooms, "marketers", patient brokering, human trafficking, or anything in between. I'm simply taking a peek into the aftermath of Google's new regulations. This post will also act as a live journal of sorts, to showcase some of the keywords that have been restricted. We wanted to wait a month to see exactly what changes Google would make, and if any major news releases would come out. In the past Google has made public announcements when they've restricted ads, such as the payday loan update in 2016.

Google has made a public effort to help fight human trafficking, but their news release was more geared towards sex trafficking than treatment centers and "body brokers."

If you've been following some of the more competitive keywords, you'll see that Google is slowly rolling out these restrictions as the days turn into weeks. Let's have a look see.

In Florida, New Jersey...and even Idaho, a lot of the popular addiction treatment related keywords are a no go.

We started by checking our home city, Delray Beach for a popular keyword:

We checked out a few of these websites and of course, most of them weren't even located in Delray Beach. Some were, most weren't. Actually only 1 out of 4 ads on this page was located somewhere near Delray Beach (about 25 miles away.) One of these treatment centers wasn't even a treatment center. It was a referral service. Basically the Drug and Alcohol Treatment Center equivalent to 1-800-411-PAIN but shadier, if that's even possible.

Out of our examples so far, one of the worst examples and perpetrators was for a group of ads displayed for the keyword "san diego detox." **50% of the domains we investigated were not even detoxes or treatment centers of any kind. Straight up referral services.**

Before

detox san diego

All Shopping News Maps Images More

About 14,500,000 results (0.96 seconds)

San Diego Drug Rehab - 30, 60 & 90 Day Programs
[\(Ad\) www.oceansideaddictionrecovery.com/](#)
Private & Caring San Diego Drug Rehab. Call Ahead For Seasonal Discount!
"A+ Rated Accredited Business" - Better Business Bureau

Alcohol Detox Center - Private Ins Welcome: Call 24/7
[www.thetreatmentcenter.com/Alcohol-Detox](#)
Nationally Accredited Facility. Get the help to restore your life today!

Inpatient Drug Detox Center - PPO Insurance and Private P
[\(Ad\) www.wavelengthstherapy.com/](#)
Get Help for You Or Your Loved One Today. Verify My Insurance Online.
Luxury Properties - Beds Open Now - Get Your Life Back - Joint Commission Approved
Insurance Coverage: Aetna, United Health, Blue Cross Blue Shield, Beacon Health
Alcoholic Treatment - Residential Treatment - Drug and Alcohol Detox - Verify My In

San Diego Detox
[\(Ad\) www.americanaddictioncenters.org/CA](#)
Safe Medical Detox & Caring Staff. Family Support Available. Call Now!
Confidential Call - Local Support - Free Insurance Check - Caring & Responsive St

After

detox san diego

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About 7,530,000 results (0.44 seconds)

Pacific Bay Recovery
4.7 ★★★★★ (18) - Rehabilitation Center
San Diego, CA - (858) 263-9700
Open 24 hours

Volunteers of America
5.0 ★★★★★ (2) - Social Services Organization

Again, you can see Google straight up annihilated all ads related to this keyword and for good reason. While 2 of these ads seem to be legit treatment centers, 2 of them are clearly not. They are nothing more than a massive call center.

You could find any of these jobs throughout Palm Beach County and across the USA.

October 2 & 19th

(ads still displaying for "treatment center near me")

treatment center near me

All

Maps

News

Shopping

Images

More

About 13,700,000 results (0.71 seconds)

Substance Abuse Detox & Rehab - Comfortable, Safe Lik

www.mycenterforrecovery.com/

Private Detox & Rehab Facility For Prescript. Meds. No Medicare/Medicaid P

Rapid Resolution Therapy · Smart Recovery · Relapse Prevention · Serenity A

What is said about us · Treatment That Works

Treatment Centers Near Me - Get Back On Track Today

www.orlandorecovery.com/AlcoholTreatment

End the addiction at a center near you. Personalized programs. Call us 24/7

24-Hour Clinical Care · We Accept Many Insurance · Quality Care · 100% Co

Insurance coverage: Alcohol Addiction, Drug Rehab, Detox Programs

Rehab Treatment Programs · Residential Care · Medical Detox Program · Dual

Brand New Alcohol Center - SunriseDetox.info

www.sunrisedetox.info/Alcohol

Exclusive Detox Facility in FL. Most Insurance Accepted. Call Today

Treatment Centre - Top Drug & Alcohol Rehab Center

www.beachhouserehabcenter.com/Treatment

treatment center near me

All

Maps

News

Shopping

Images

More

About 58,900,000 results (1.15 seconds)

Alcohol Detox Center - Private Ins Welcome: Call 24/7

www.thetreatmentcenter.com/Alcohol-Detox

Nationally Accredited Facility. Get the help to restore your life today!

Open 24/7, 365 Days · Customized Treatment · Verify Your Insurance · Help A Loved On

9 4905 Lantana Rd, Lake Worth, FL · Open today · Open 24 hours

Learn About Us

Services We Offer

FAQ

Alcohol Detox & Rehab Facility - Treating Addiction Since 2004

www.mycenterforrecovery.com/Alcohol/detox

Dual Diagnosis. Medical Detox & Rehab. Call Now For Insurance Covered Treatment

Relapse Prevention · Smart Recovery · Caring But Disciplined · Serenity Approach Reha

Services: Medical Detox, Inpatient Rehab, Residential Drug Rehab, PTSD, Trauma Thera

Treatment That Works · What is said about us

Treatment Centers Near Me - Get Your Life Back, Call Now

www.orlandorecovery.com/AlcoholTreatment

Orlando Recovery Center Will Help You Overcome Drug & Alcohol Addiction.

While "rehab near me" is completely "dead," it seems "treatment center near me" is ok. We don't get the logic behind this, but Google Adwords rules / terms have never really been logical on a small scale.

Brand Keywords Seemingly Invincible

Bidding on branded keywords have remained unscathed. I'm sure there are surely some accounts that have been restricted, but the keywords remain in Google search.

https://elite-strategies.com/an-autopsy-of-google-restrictions-of-treatment-center-ads/

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Google Targeting Lead Brokers?

Underneath the moldy crust of the treatment center marketing industry are the "lead brokers agencies." Lead brokers exist in many different forms that generate leads through:

- cold calling people out of the blue
- mass email marketing (SPAM)
- Google's organic results
- and Google Adwords

You might even hear an ad on the radio asking if you need help for addiction, some of those are legit treatment centers but the majority are lead brokers.

Google's main beef is with the lead brokers, not with individual treatment centers (for the most part.) These folks take a budget of e.g. 1 mm / month and put it into a Google (or Bing, lets not forget them) ad budget. They make ads that target any number of keywords like "Caron Foundation" or "rehab near me" and bid high enough so their ads are visible to desperate addicts or families seeking help.

On the other end of their business model, lead brokers sell these leads directly to treatment centers looking to fill their beds. They have "live call" leads, hot leads, cold leads, email leads, live chat leads, SMS text leads...I'm sure there are even some offering video chat leads.

In addition to Google putting restrictions on "treatment center" related keywords, in the past few weeks Google shut down ads for keywords like "buy rehab leads" although (as you can see) there are still plenty of organic results peddling the same services.

Another Google spokesperson stated:

"We found a number of misleading experiences among rehabilitation treatment centers that led to our decision, in consultation with experts, to restrict ads in this category. As always, we constantly review our policies to protect our users and provide good experiences for consumers..."

From ARC (a well known treatment center):

"We fully support the actions of Google to protect consumers from unscrupulous companies looking to take advantage of this highly vulnerable population. It is time consumers are provided with transparent and truthful information to appropriately identify high-quality addiction treatment providers. We are hopeful this signals the end of deceptive marketing in our industry..."

How much money we talkin' here?

According to SAMHSA via Forbes magazine, in 2015 the treatment center industry was estimated to be \$35,000,000,000 (zeros written out in full for effect). In simpler terms, when I first moved to South Florida 10+ years ago I could literally count the treatment centers in Palm Beach County on one hand. There are now hundreds of treatment centers of all levels within South Florida alone, at least.

Anyone can navigate over to Google's Keyword Planner tool to find "suggested bids" and estimations for these keywords.

1 click for one of the top keywords is estimated to be worth \$187. That includes accidental clicks, clicks from competitors, and everything in between.

Keyword	Percentage %	Volume	ROI	CPC (USD)	Costs	Revenue	Trend	Last Update	SEMP
rehabilitation center near me	55.00	720	66.36	55.89	0.88	11,900,000		28 Aug 2017	US
rehab center near me	55.00	480	64.95	63.78	0.98	10,900,000		28 Aug 2017	US
rehab clinics near me	55.00	170	66.45	51.88	0.84	3,120,000		4 Aug 2017	US
rehab near me	50.00	1,360	61.07	48.38	0.86	6,210,000		21 Aug 2017	US
rehab facilities near me	54.00	590	66.19	44.64	0.83	3,650,000		27 Aug 2017	US
rehabilitation facilities near me	54.00	480	66.24	59.15	0.91	12,800,000		21 Aug 2017	US
rehab clinics near me	50.00	170	65.30	37.15	0.91	4,800,000		28 Aug 2017	US
rehabilitation facilities near me	50.00	790	71.41	62.79	0.70	4,550,000		28 Aug 2017	US
drug and alcohol rehab near me	50.00	50	66.00	92.32	0.83	1,700,000		Aug 2017	US
rehab centers near me	45.00	1,260	65.50	62.69	0.95	14,500,000		Jul 2017	US
drug rehab near me	45.00	960	64.78	77.68	0.94	2,620,000		27 Aug 2017	US
rehabilitation center near me	45.00	110	64.65	38.66	0.83	33,200,000		28 Aug 2017	US
rehabilitation near me	45.00	80	67.36	35.74	0.90	5,320,000		29 Aug 2017	US
drug rehab near me	40.00	880	65.43	71.27	0.95	13,800,000		28 Aug 2017	US
drug rehab centers near me	40.00	380	65.79	78.81	0.84	2,800,000		Jul 2017	US

Where do we go from here?

It does appear that Google's restrictions are starting to wind down in terms of keywords they are restricting, but what's next? I have a few personal theories, perhaps Google will require all ads to have:

- accreditation on State / local level
- national accreditation such as CARF
- EV SSL – to help prove the domain is actually linked with an actual verified company
- even more restrictions

These restrictions were a nice start, but the same problem still exists. **This hasn't scratched the surface.** Restricting PPC ads is great, but treatment centers are dumping millions of dollars per year into SEO as well. Listings on Google search (and Bing / Yahoo) still appear for shady treatment centers. Google's search algorithm does a decent job of detecting spam, but doesn't really go after these types of problems. Not yet anyway.

Your email address will not be published. Required fields are marked *

Comment

Name *

Email *

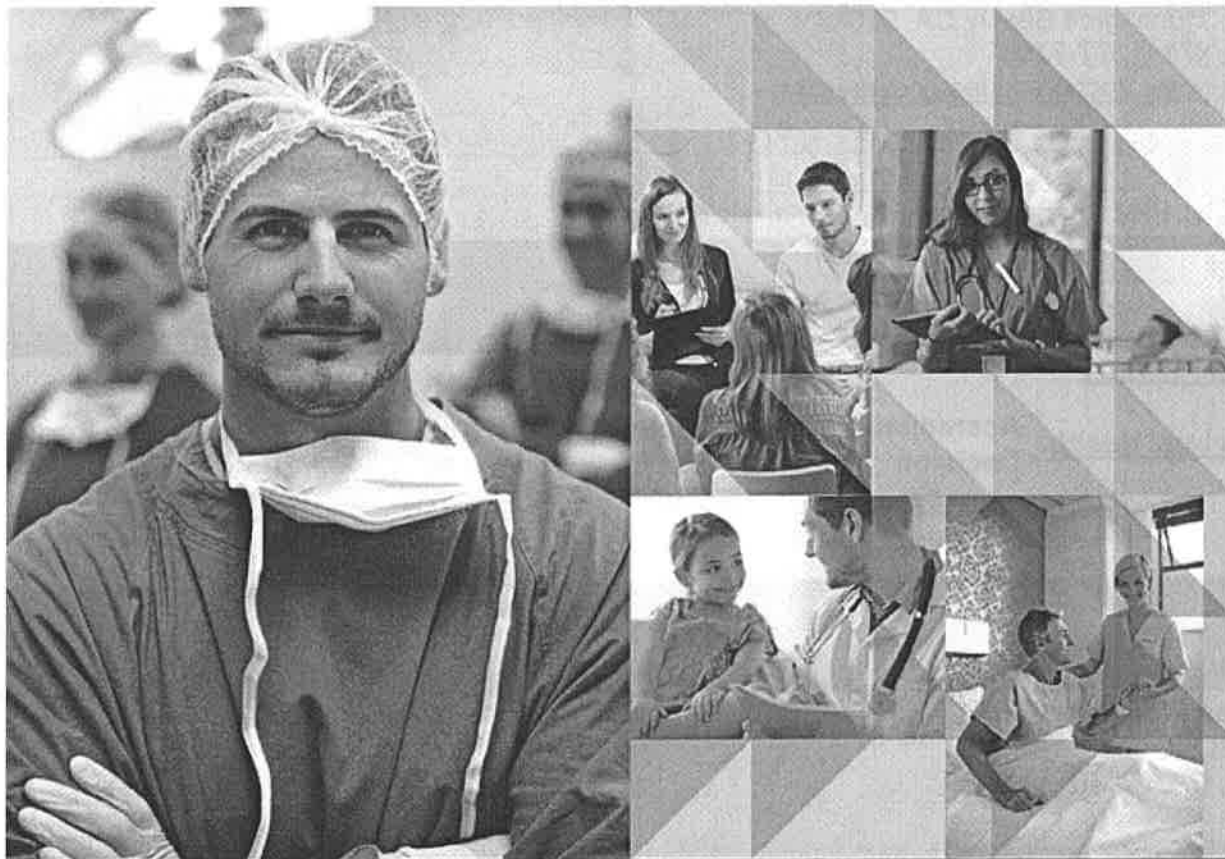
Website

POST COMMENT

☐ I'm not a spammer. (check this box)



Organizations that have achieved
The Gold Seal of Approval® from
The Joint Commission®



Quality Report



Available Services

- Behavioral Health (Transitional Living - Adult)
- Behavioral Health (Supervised - Adult)



Secretary of State
Statement of Information
(Limited Liability Company)

17
mo

LLC-12

17-315781

FILED
Secretary of State
State of California

FEB 23 2017

IMPORTANT — Read instructions before completing this form.

Filing Fee - \$20.00

Copy Fees — Face Page \$1.00 & .50 for each attachment page;
Certification Fee - \$5.00

21.50/20/PC

This Space For Office Use Only

1. Limited Liability Company Name
PURA VIDA SOBER LIVING HOMES, LLC

2. 12-Digit Secretary of State File Number
201509810221

3. State or Place of Organization (only if formed outside of California)

4. Business Addresses

a. Street Address of Principal Office - Do not list a P.O. Box

1154 LODI LANE

City (no abbreviations)

SAINT HELENA

State

CA

Zip Code

94574

b. Mailing Address of LLC, if different than item 4a

City (no abbreviations)

State

Zip Code

c. Street Address of California Office, if Item 4a is not in California - Do not list a P.O. Box

City (no abbreviations)

State

CA

Zip Code

5. Manager(s) or Member(s)

If no *managers* have been appointed or elected, provide the name and address of each *member*. At least one name and address must be listed. If the manager/member is an individual, complete Items 5a and 5c (leave Item 5b blank). If the manager/member is an entity, complete Items 5b and 5c (leave Item 5a blank). Note: The LLC cannot serve as its own manager or member. If the LLC has additional managers/members, enter the name(s) and addresses on Form LLC-12A (see instructions).

a. First Name, if an individual - Do not complete Item 5b

Middle Name

Last Name

Suffix

b. Entity Name - Do not complete Item 5a

COBB CREEK MANAGMENT, LLC

c. Address

1154 LODI LANE

City (no abbreviations)

SAINT HELENA

State

CA

Zip Code

94574

6. Agent for Service of Process

Item 6a and 6b: If the agent is an individual, the agent must reside in California and Item 6a and 6b must be completed with the agent's name and California address. Item 6c: If the agent is a California Registered Corporate Agent, a current agent registration certificate must be on file with the California Secretary of State and Item 6c must be completed (leave Item 6a-6b blank).

a. California Agent's First Name (if agent is not a corporation)

DAVID

Middle Name

CHARLES

Last Name

WIGNALL

Suffix

b. Street Address (if agent is not a corporation) - Do not list a P.O. Box

1154 LODI LANE

City (no abbreviations)

SAINT HELENA

State

CA

Zip Code

94574

c. California Registered Corporate Agent's Name (if agent is a corporation) - Do not complete item 6a or 6b

7. Type of Business

a. Describe the type of business or services of the Limited Liability Company

TRANSITIONAL SOBER LIVING ENVIRONMENT CARE SERVICES

8. Chief Executive Officer, if elected or appointed

a. First Name

Middle Name

Last Name

Suffix

b. Address

City (no abbreviations)

State

Zip Code

9. The information contained herein, including any attachments, is true and correct.

FEB. 21, 2017

STEPHEN A. CRITZER

ATTORNEY

Date

Type or Print Name of Person Completing the Form

Title

Signature

Stephen A. Critzer

Return Address (Optional) (For communication from the Secretary of State related to this document, or if purchasing a copy of the filed document enter the name of a person or company and the mailing address. This information will become public when filed. SEE INSTRUCTIONS BEFORE COMPLETING.)

Name: [STEPHEN A. CRITZER]

Company: ATTORNEY AT LAW

Address: 2401 E. ORANGEBURG AVE., SUITE 675-307

City/State/Zip: [MODESTO, CA 95355]

1/2



SEX CRIMES BAIL BONDS

There are many reasons that you should post a bail bond immediately if arrested for rape charges. Rape is a charge that is judged in jail, you will lose privacy and pay more for your time with your lawyer. Getting a bond will enable you to have a better first impression in court.

[MORE](#)



REHAB BAIL BONDS

Everyone knows someone who has been touched by this epidemic. No parent should have to bury their child... Especially because they made one bad choice. If you've had the feeling that at least if they



September 20, 2018

The Honorable Bob Goodlatte
Chairman
Committee on the Judiciary
U.S. House of Representatives
2138 Rayburn House Office Building
Washington, DC 20515

The Honorable Jerrold Nadler
Ranking Member
Committee on the Judiciary
U.S. House of Representatives
2035 Rayburn House Office Building
Washington, DC 20515

The Honorable Steve King
Chairman
Subcommittee on the Constitution and Civil
Justice
U.S. House of Representatives
2210 Rayburn House Office Building
Washington, DC 20515

The Honorable Steve Cohen
Ranking Member
Subcommittee on the Constitution and Civil
Justice
U.S. House of Representatives
2404 Rayburn House Office Building
Washington, DC 20515

The Honorable Dana Rohrabacher
U.S. House of Representatives
2300 Rayburn House Office Building
Washington, DC 20515

Re: Restoring Community Oversight of Sober Living Homes

Dear Chairman Goodlatte, Ranking Member Nadler, Chairman King, Ranking Member Cohen, and Representative Rohrabacher:

We write to thank you for attention to the issue of sober living homes and express our support for continued dialogue and action in Congress to address this important policy matter. We appreciate the time and attention that Congressman Rohrabacher has placed on this issue through his introduction of the Restoring Community Oversight of Sober Living Homes Act of 2018 (H.R. 5724).

The City of Laguna Beach's unique coastal resources make it an attractive destination for adult drug and alcohol abuse recovery or treatment facilities. As a result, the City has experienced a rise in the prevalence of these facilities, both licensed and unlicensed. The City is concerned about the performance of some of these facilities and their ability to provide a safe and sober environment for facility residents.

Additionally, overconcentration of these facilities in residential communities can destabilize the environment marketed to patients as crucial to their recovery and undermine patients' ability to recover and integrate into the Laguna Beach community. The City has also received complaints from neighbors of these facilities, who have seen irresponsible operators facilitate environments that are disruptive and potentially dangerous to patients and other members of the community.



City of Mission Viejo

Office of the Mayor and City Council

Edward Sachs
Mayor

Greg Rath
Mayor Pro Tem

Wendy Bucknum
Council Member

Brian Goodell
Council Member

Trish Kelley
Council Member

September 25, 2018

The Honorable Bob Goodlatte Chairman
Committee on the Judiciary
U.S. House of Representatives
2138 Rayburn House Office Building
Washington, DE 20515

SH/BR/CONST

Dear Chairman Goodlatte:

We write to thank you for attention to the issue of sober living homes and express our support for continued dialogue and action in Congress to address this important policy matter.

Sober living homes, both licensed and unlicensed, have opened across the City of Mission Viejo in recent years. While these facilities are intended to support the recovery of individuals who have struggled with substance abuse, the City is concerned about sober living homes that fail to provide a sober environment or proper support system that can lead to harmful consequences for facility residents, such as a relapse or overdose. In a recent case, Mission Viejo Code Enforcement and Building staff inspected a property with numerous building code violations, including an illegal room addition and electrical wiring done without a City permit. Beds were crammed into every available space, including closets. This example highlights the unscrupulous nature of many sober living operators, driven by revenue maximization rather than the provision of a safe environment for the care and recovery of the patients.

The City is also concerned that the overconcentration of these facilities in residential areas can disrupt the very environment marketed to individuals in recovery—a quaint community that will help them continue on a life of sobriety. The City has received complaints from the neighbors of these facilities, who have seen how irresponsible sober living home operators foster an environment that can be unruly and even unsafe to residents of the facility and the rest of the community.

STATE CAPITOL, ROOM 3141
P.O. BOX 942849
SACRAMENTO, CA 94249-0073
(916) 319-2073
FAX (916) 319-2173

DISTRICT OFFICE
29122 RANCHO VIEJO ROAD, SUITE 111
SAN JUAN CAPISTRANO, CA 92675
(949) 347-7301
FAX (949) 347-7302

Assembly California Legislature



WILLIAM P. BROUGH
ASSEMBLYMEMBER, SEVENTY-THIRD DISTRICT

COMMITTEES
VICE CHAIR: BUSINESS AND
PROFESSIONS
VICE CHAIR: REVENUE AND TAXATION
APPROPRIATIONS
GOVERNMENTAL ORGANIZATION
PUBLIC EMPLOYEES, RETIREMENT,
AND SOCIAL SECURITY
RULES

SELECT COMMITTEES
PORTS
WORKFORCE AND VOCATIONAL
DEVELOPMENT

September 10, 2018

Honorable Congressman Dana Rohrabacher
2300 Rayburn HOB
Washington DC 20515

Subject: H.R. 5724 The Restoring Community Oversight of Sober Living Homes Act.

Dear Congressman Rohrabacher;

I appreciate the work you are doing regarding H.R. 5724, The Restoring Community Oversight Sober Living Homes Act. There are real and serious concerns about the presence and proliferation of sober living homes in our communities that lack sufficient oversight and regulation.

Beginning in 2015, Senator Bates and I have engaged in conversations, including a roundtable discussion with city attorneys, city managers, Congressional, county and local representatives and others, to consider the issues relating to sober living homes. We are under no illusions that there is an immediate fix and have found that a key issue is that Federal law considers recovering drug addicts and alcoholics as disabled, so the Fair Housing Act protects them from discrimination in living accommodations. That provides legal cover for owners and operators seeking to avoid meaningful oversight and hampers state and local jurisdictions from holding these homes to any type of standards. Both Senator Bates and I have introduced bills that create accountability and oversight for sober living homes and none of our bills have made it out of committee.

Individuals who need help, need responsible help. I have recently received a letter from Allen and Rose Nelson, regarding the death of their son, Brandon Nelson, in a mental illness, alcoholism and drug abuse recovery facility in San Clemente, CA. The Nelsons have indicated that they are willing to assist you with your efforts any way you deem appropriate. I am attaching their information in the event you are willing to reach out to them.

Thank you again for your time and attention to helping find a solution to a very real problem.

Sincerely,

A handwritten signature in black ink, appearing to read "Wm P Brough".

Assemblyman William P. Brough

August 13, 2018

Senator Pat Bates

24031 El Toro Road

Suite 201A

Laguna Hills, CA 92653

Assemblymember Bill Brough

29122 Rancho Viejo Road

Suite 111

San Juan Capistrano, CA 92675

Dear Senator Bates and Assemblymember Brough,

Our son Brandon Nelson lived with us in Santa Monica prior to his death on March 8th. Brandon was a straight "A" student throughout his years at Santa Monica High School. In 2015 he graduated from UCLA Engineering. He was incredibly responsible at work, and never took illicit drugs.

Brandon was taken to a hospital for a mental illness problem, he was passed to various facilities and inexplicably ended up in a sober living house in your district where he hung himself.

Brandon's horrific journey began on January 24th. He had a psychotic break with suicidal thoughts due to an undiagnosed mental illness. He was taken in on a 5150 and entered the mental health system about which we knew nothing.

After being in a lock-down facility for about 4 weeks, Brandon was moved to a residential treatment center called Sovereign Health in San Clemente that claimed to have a specialized program for mental illness only.

Sovereign was a fraud. They did not give Brandon his medication, and when Brandon was screaming in distress which should have necessitated another 5150 back to a lock down facility, they gave him some medication and left him unattended. Brandon went to his room about an hour later and hung himself at around 7:45pm March 8th.

Sovereign was not forthcoming with information, but through social media we were able to track down another patient who was in the house at the time and who had written a statement the next day about what happened that dreadful evening. It is attached for your review.

Over the past 5 months, my wife Rose and I, with help from others, have been doing our own investigative research on Sovereign and what we have found is appalling. We don't understand how the State of California or the City of San Clemente could provide a license to this business.

1) The business (corporate company called Dual Diagnosis Inc.) is run by Tommo Sharma, a person who was found guilty of fraudulent activity in England 10 years ago. How could he have received a license by California?

7/3/2018

Subject:

Re: following up ...

From:

Sent:

6/29/2018 10:25:33 AM

To:

"Rose Nelson" <rosenelson@roadrunner.com>;

CC:

"Allen Nelson" <afnelson@roadrunner.com>;

Good Morning,

You have such a beautiful family and I am so deeply sorry for your loss. I am ashamed that this took place in a "licensed facility" and heartbroken to say I worked for this company. I am appalled and sickened that no member of the Clinical team has gone to the authorities or the media about the terrible malpractice that is going on - instead they continue to watch innocent lives suffer. Shame on them, they should all be stripped of whatever credentials they may have so that they can never practice in this field again. The timeline of events of your son's passing really put things, I could not figure out at first, into perspective. The Director of Operations went on a Leave of Absence days following this event, and also the entire HR Department resigned except for one Supervisor and 3 low level admin's. I am starting to see that none of this was a coincidence, and they were selfishly scared of what was going to happen to them because of the lack of compassion, protocol, and human rights they exhibited. I will be the voice of those who are unable to speak at this moment, and I will not sleep until everyone knows about this horrible company, and INDUSTRY. Someone needs to stop the madness and shine the light - I guess the [REDACTED] is going to have to do it. Thank God I am smart and determined. Would you mind if I also sent whatever we send your news connection, to the one I have as well? I want to build a platform from this and challenge the system.. it needs to be done and I really believe this is the time. I would love to speak more with you over the weekend.

than we were.

The driver of the van that hauled 3 of us to Culver City told us he was an FBI agent before he retired but was part of an ongoing investigation into Sovereign Health's negligent practices and was paid directly from the Treasury Department. This man, named Bob, divulged lots of new and old dirt on Sovereign Health as he transported us, the patients. By the time we arrived at Culver City, (late) 2 of the women demanded to leave and did so the next day.

The following 4 days were filled with distressed staff clamoring and grabbing at straws to make things appear normal. One of the house managers showed me an email from "Sharma", stating more lip-service to his staff on unmet payroll. On May 3rd, I was told I was being transferred to Palm Dessert. They said it was because it was all my insurance I would approve. (More lip-service). My best guess is they weren't making any money off me since I was adamant about not wanting to take any medication which seemed to be the facilities obsession.

I was driven to Palm Dessert and arrived at 10pm on May 3rd. It was a fiasco from the moment I arrived and very reminiscent of my experience at San Clemente only days before, except this "motel housing unit" was scary and that's putting it mildly.

On Friday, May 4th, we were hauled by vans to the Center after spending the morning watching staff clamor to figure out who was going where and how they would accomplish this given their short-staffed status. By the time we reached the Center it was obvious and transparent the staff didn't receive their promised Friday paycheck. The Center turned into a ghost town.

After a long, long wait, we were finally hauled back to the "motel", our housing. The conditions were superficial and the remaining staff were treating patients with disrespect, including myself. A hotbed of stressed out staff and upset, angry, vulnerable patients. Including myself.

I was terrified of being there another night so managed to call my husband who, as I mentioned earlier, drove 9 straight hours to pick me up by 2am on May 5th. I wasn't given my cell phone until then, 2am.

The whole experience was unnerving to say the least. I filed a complaint with the FBI and alerted my insurance carrier to a grossly fraudulent situation.

I and other women documented events daily, the entire time we were there. The experience remains surreal.

However, after a 10-month hearing, the GMC Fitness to Practise panel found Sharma guilty of serious professional misconduct and struck him off the medical register.

The 42-year-old, who trained in India, was found to have acted unprofessionally in relation to five major studies between 1997 and 2003, involving four leading pharmaceutical companies including Eli Lilly and the Janssen Research Foundation.

He also misled the companies when he chose to use identical patients in different studies, subjecting them to MRI scans and tests that had not been approved by an ethics committee. In 2003, he recruited mental health patients in unsolicited telephone calls and without consent from their doctors. He then failed to give them proper information about the trials - one schizophrenic was simply handed a leaflet.

His misconduct was first uncovered by the drugs company Sanofi, and a complaint resulting in his temporary suspension was made to the Institute of Psychiatry in 2001, prompting an investigation.

Sharma, who represented himself at the hearing, denied the claims and insisted that he "believed in ethics in medicine".

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7) "Leave me! I need peace!" (shouted)

The placement of person in the house between 4:30 and 5:30 are as follows:

- Bottom floor - Joseph and Donnie
- Middle floor - Jon, Hunter, Kess, and myself
- Top floor - Said, Jordan, Brandon
- Staff - with Brandon - Diane Miltenburg, Hamid Kamali (in Brandon's room) and Paul L. Marin

guarding the top of the stairs.

Before Brandon went to his room, Donnie heard upon Brandon passing, that he wanted to die. Donnie shared this with me the next day after Brandon's death.

Between 5:45pm and 6:30 I was cooking on the grill outside and the rest of the group ate dinner. I went inside a couple of times to go to the kitchen and did notice the it was silent upstairs and also observed that Brandon did not come down for dinner.

After dinner, Joseph, Donnie, and myself were on the bottom floor watching basketball, the Celtics vs. Timberwolves. We began hearing the screaming again at this time - 6:30pm to 7:sh. I remember because Donnie kept making the comment that a boy suffering in pain as much as him (Brandon) needs to go to the hospital

by removing the noose from his neck. As I held him, Joseph grabbed his legs and we placed him on the bed. At this time Paul L. Marin already called 911. I checked for a pulse at the neck and wrist and felt nothing. I placed my ear by his mouth, then his heart and felt no breath nor heart beat. Hunter then came in saying he served in the military and that he knew CPR. He then began heart compressions. I assisted by pulling his forehead back and holding the back of his neck to open his airway. I observed that his forehead was cold, his face and lips blue and pinkish saliva from his mouth. From the chest ~~to~~ compressions I could hear gurgling from his airway. As CPR continued, Paul L. Marin was instructed by 911 to remove his shoes, slap his feet and yell his name. I'm unsure how long this continued, but we kept trying until the paramedics arrived.

Michael Ramirez

Client at Sovereign Health

<https://nyti.ms/2pLdlIN>**The New York Times****Business Day**

City of Addict Entrepreneurs

The drug crisis has turned countless recovered addicts into businesspeople: They get clean, open their own clinics, and sometimes take over the neighborhood.

By DAVID SEGAL Photographs by JOHNNY TERGO for the New York Times

PRESCOTT, Ariz. — It first dawned on Erin Burk that her town had become a haven for drug treatment soon after she noticed the fleet of white vans zooming through her neighborhood. The vans, she learned after tailing one, were ferrying addicts all over town to what amounted to halfway houses for those in recovery: sober living homes.

Nobody she asked seemed to know how many sober living homes were located in Prescott, so she decided to conduct an improvised census.

“I followed those vans around for three months,” said Ms. Burk, a young mother of five whose sleuthing identified dozens of sober living homes in her city — including 15 within a block of her house. “Then I cried for a long time.”

That was in 2010, the beginning of a boom here in the addiction treatment business that turned this city of just 42,500 people into one of the rehab capitals of the country. Today there are some 33 sober living homes in operation, down from a peak last year of 170. At the time, by some estimates, one in 30 people living in Prescott was in recovery.

IN THIS SERIES

- **Addiction Inc.** America’s opioid and heroin epidemic is sending more than 2 million people a year in search of help, making treatment a tragic necessity. Many clinics do
- **The Giant, Under Attack**
- **In Pursuit of Liquid**

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To understand why, you need to know why classic, inpatient rehab centers are so expensive. They are essentially a cross between a hotel and a hospital. The price for a month of treatment — \$30,000 and sometimes much more — covers a spacious room, excellent food, medical facilities and on-staff physicians and nurses.

That sort of rehab is designed for people who might need medical attention, often because they are suicidal. Comfort is another selling point, as is customized, one-on-one therapy.

The Florida Model is rehab without frills. Doctors, medical equipment and great meals aren't included. Treatment costs about \$9,000 a month, and the price goes down over time, as a client needs less therapy. Rent at a sober living home is usually around \$400 a month — and not covered by insurance.

On paper, this approach has upsides, for both clients and insurers. Because the tab is much smaller, clients can stay longer, giving them more time to wean themselves off drugs. And when clients aren't in treatment, or at 12-step meetings, they are encouraged to work, usually at hourly wage jobs, where they learn life and coping skills.

But as Prescott discovered when clinics and sober living homes started proliferating in 2010, the barriers to entry in this business are low. And for some clinic owners here, money became an end in itself.

"There was a time last year when a lot of the guys who owned clinics and sober living homes were driving a Cadillac Escalade, or a Mercedes-Benz," said Daniel Sullivan, who managed a sober living home in Prescott called Square One Recovery. "I heard a few of them talking about how they were just \$50,000 away from joining the high-roller program at the MGM in Vegas."

Billing for 'Equine Therapy'

Last year, at least one insurance company took action in Prescott. Health Net, which is based in Woodland Hills, Calif., and at the time served roughly six million members across the country, felt it was paying exorbitant reimbursement rates for people who had signed up for its Platinum plan.

A clampdown began after Health Net's owner, Centene, sent a team of eight investigators to Prescott to examine billing practices.

treatment on the same footing as other medical benefits. In 2010, the Affordable Care Act mandated that plans on its exchanges offer substance abuse benefits.

Suddenly, millions of adults were insured and the population of people seeking treatment ballooned. Among the first to notice were the former addicts who had come to Prescott for treatment. Many of them stayed in town to start their own clinics, which produced more former patients with the same idea, repeating the cycle.

Among that cohort is Mo Michael, a former gambling addict. In 2015, she, her husband and his brother bought a clinic and renamed it Compass Recovery Center.

“I wanted a place where we could act completely within our own integrity,” said Ms. Michael, the program director, sitting in her office. “I didn’t like where things were going.”

Ms. Michael said it was too easy to open a Florida Model clinic. Under Arizona law, each treatment center needs just one licensed professional counselor, which requires a master’s degree in mental health services and is not to be confused with a physician. Therapists who work under that counselor are called behavioral health technicians but are not required to have specific training or certification.

“That’s super scary to me,” Ms. Michael said. “If you came to me and said, ‘I’d like to be a behavioral health tech,’ I could say, ‘Sure,’ and you could start work tomorrow.”

Arizona’s standards are not unusual, and are in fact higher than in other states. Sherry Daley of the California Consortium of Addiction Programs and Professionals said addiction clinics in her state are not required to have any state certification.

“If you want to hang a shingle here and start treating people the same day, you can,” she said.

From Client to Caregiver

The standards for managing a sober living home are even lower. Daniel Sullivan was just getting over his prescription pill addiction — he’d graduated from a

But there are few studies on the Florida Model's effectiveness. Many clinics claim that 80 to 90 percent of their graduates stay sober, although those statistics are commonly based on surveys of graduates and considered unreliable by academics. The main concern is that people who have relapsed are either hard to find — in which case they are not counted — or may be motivated to lie out of embarrassment.

Even less is known about sober living homes. Clusters of them now operate in California, New England and the Midwest, but despite their prevalence, even basic information about these businesses is not publicly available.

In a letter last year to the federal Government Accountability Office, Senators Elizabeth Warren, Marco Rubio and Orrin Hatch worried that the homes had fallen into a “regulatory gap.”

A spokesman for the office said it is still working to answer the senators' questions. Among them: “How many sober living homes are there in the United States?”

‘Like a License to Steal’

After Ms. Burk finished her census of sober living homes, she started attending town council meetings to complain about them.

But what she regarded as a disastrous change in the community, some of her former high-school classmates considered a lucky break. The real estate market was still recovering from the economic crisis of a few years earlier and many residents who'd purchased second homes during the bubble years started renting them out to rehab providers. A property with a \$1,000-a-month mortgage payment could suddenly net \$10,000 a month, or more.

“People were getting rich,” she said.

Josh German, who worked as a therapist at a treatment center in Prescott, said he knew people who had become millionaires.

“The Health Net payments were like a license to steal, and who was going to stop them?” he said, referring to the insurance company that became suspicious. “There was no regulation, no oversight.”

One of the people who prospered was Jimmy Rizzo, a former sanitation worker in New York City who arrived in Prescott in 2001 to kick his cocaine addiction.

of requiring that new sober homes be built two blocks from existing ones, a single block should suffice.

The slow progress initially annoyed many locals, said George Worley, Prescott's planning manager. Nobody understood the limits of the city's power. People assumed, "we should be able to go close them down," he said. "In fact we can't, under federal law and under Supreme Court decisions."

Tighter Rules That Turn Some Loose

In January, a city ordinance finally succeeded in regulating sober homes. Minimum staffing and maximum occupancy rules were imposed and safety inspections mandated. The one-two punch of the new rules, combined with Centene's payment crackdown — for months, reimbursements to dozens of clinics simply ceased — financially devastated some clinics, which sued over what they called improperly withheld payments. Other companies simply folded.

One of those was Freedom Recovery, the clinic where Daniel Sullivan was treated for his pill addiction. In February, the management gathered their 30 or so clients and announced that the clinic and its affiliated sober living homes were closing.

For young people struggling with addiction, the news was traumatic. Tim Terry, a recovering heroin addict then living at a sober home owned by Freedom Recovery, said that about a week before the company closed, managers called the parents of residents asking for money to cover insurance deductibles. (More than a few clinics in Prescott paid insurance deductibles on behalf of their clients, several former clients said, to help encourage them to sign up.) He called it "a big cash-out opportunity."

"This one girl, they called and hit up her parents for \$15,000," he said. But because he knew the place was about to close, he said, "I called my dad and I told him, 'Do not give them any money.'"

Reached by phone, the former owner of the facility, Alex Halenka, said that any requests for money were to cover insurance costs that Freedom would have had to pay. He also said that, as a former addict himself, he cared too much about his clients to push anyone off the premises.



March 2018

SUBSTANCE USE DISORDER

Information on Recovery Housing Prevalence, Selected States' Oversight, and Funding

Accessible Version

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HHS	Department of Health and Human Services
NARR	National Alliance for Recovery Residences
SAMHSA	Substance Abuse and Mental Health Services Administration
SUD	substance use disorder



March 22, 2018

Congressional Requesters

Substance abuse and illicit drug use, including the use of heroin and the misuse of alcohol and prescription opioids, is a growing problem in the United States. Individuals recovering from substance use disorder (SUD) may face challenges remaining alcohol- or drug-free. Recovery housing—peer-run or peer-managed supportive residences—can offer safe, supportive, stable living environments to help individuals recovering from SUD maintain an alcohol- and drug-free lifestyle. In addition, such housing can also help improve individuals' ability to work, their physical health, and their relationships with friends and family, and help them gain skills and resources to sustain their recovery. There are no federal laws or regulations governing the operation of recovery housing, and there is no federal agency responsible for overseeing recovery housing.¹ Within the Department of Health and Human Services (HHS), the Substance Abuse and Mental Health Services Administration (SAMHSA)—responsible for promoting SUD prevention, treatment, and recovery to reduce the impact of SUD on communities—makes some funding available to states to support recovery housing.

The media has reported allegations that some unscrupulous recovery housing operators and associated SUD treatment providers have engaged in fraudulent and misleading practices and exploited residents for the purposes of profit. In addition, at least two states—California and Florida—have conducted criminal investigations into recovery housing and recovery housing operators within their states. Following reported allegations, members of Congress have raised questions about the oversight of recovery housing.

You asked us to review federal and state oversight of recovery housing. This report examines

¹Federal laws such as the Fair Housing Act prohibit discrimination on the basis of disability, which includes individuals in recovery from SUD. Recovery housing organizations have described cases in which cities or counties adopted new, or used existing, regulations to impose restrictions on recovery homes, only to be found in violation of the Fair Housing Act by federal or district courts.

Fraud Control Unit, the state insurance department, and others.⁴ For a complete list of state agencies and related state entities we interviewed, see appendix I. We also interviewed officials from two insurance companies operating in Florida. The results of our state analyses are intended to be illustrative and are not generalizable to all states. To obtain information on SAMHSA funding for recovery housing, we also reviewed available documentation and interviewed agency officials.

We conducted this performance audit from February 2017 to March 2018 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Definitions of and terms for recovery housing can vary, and recovery housing may differ in the types of services offered and resident requirements. Alcohol- and drug-free housing for individuals recovering from SUD may be referred to as “recovery residences,” “sober homes,” or other terms. NARR has defined four levels of recovery housing (I through IV) based on the type and intensity of recovery support and staffing they offer, up to and including residential, or clinical, treatment centers.⁵ For the purposes of this report, we use the term “recovery housing” to refer to peer-run, nonclinical living environments for individuals recovering from

⁴Medicaid Fraud Control Units, which are typically a part of state attorney general offices, investigate and prosecute Medicaid provider fraud as well as patient abuse or neglect in health care and related facilities. These units must be separate and distinct from state Medicaid agencies.

⁵NARR level I and II residences are primarily self-funded, peer-run, single family homes where residents have an open-ended length of stay; level II residences typically have a paid house manager or senior resident who oversees the house and its residents. Level III and IV residences are structured or semi-structured living environments with paid facility staff, such as case managers, to assist residents in developing treatment plans and may be licensed by the state if they offer clinical services (such as level IV residential treatment centers). Although the primary scope of our report is nonclinical recovery housing (i.e., levels I and II), the activities of some states in our review may include more structured facilities (i.e., levels III and IV).

time, and immediately evicting residents who drink or use illicit drugs while living in the house.⁹ Oxford House, Inc. maintains a directory of houses on its website, and individuals can search this directory for vacancies by state. Oxford Houses align with NARR's definition of level I residences; that is, peer-run, self-funded, typically single family homes where residents have an open-ended length of stay.

SAMHSA and other organizations recognize recovery housing as an important step in SUD treatment and recovery. Research has shown positive outcomes of recovery housing on long-term sobriety, such as at 6-, 12-, and 18-month follow up.¹⁰ However, according to SAMHSA and NARR officials, much of the available research on effectiveness of recovery housing focuses on the Oxford House population, and research on other types of recovery homes is limited.¹¹

⁹Houses operate independently but must follow procedures laid out in the Oxford House manual and adhere to charter conditions. Residents are to hold regular house meetings at least weekly, and each house elects officers, including a president, treasurer, and secretary, on a rotating basis. Oxford House, Inc. provides houses with forms that residents can use to log house meetings and expenses. Eviction for drug use does not include individuals using medications prescribed for behavioral health conditions.

¹⁰See, for example, D. L. Polcin, R. Korch, J. Bond, and G. Galloway, "What Did We Learn from Our Study on Sober Living Houses and Where Do We Go from Here," *Journal of Psychoactive Drugs*, vol. 42, no. 4 (2010): 425-433.

¹¹An official from Oxford House, Inc. told us that there have been more than 300 peer-reviewed studies conducted on the Oxford House program since 1991.

-
- 79 percent were addicted to drugs and alcohol; 21 percent were addicted to alcohol only.
 - 77 percent had been incarcerated.
 - 68 percent had previously experienced homelessness.
 - 12 percent were veterans.
 - 87 percent were employed.
 - 98 percent regularly attended 12-step meetings, such as Alcoholics Anonymous or Narcotics Anonymous.¹⁴
 - 45 percent attended weekly outpatient counseling in addition to attending 12-step meetings
 - Average length of sobriety was 13.4 months.¹⁵

Most States We Reviewed Have Investigated Potential Fraud Related to Recovery Housing and Taken Steps to Enhance Oversight

The five states we selected for review have taken actions to investigate and oversee recovery housing. Four of the five states have conducted law enforcement investigations of recovery homes in their states and some of these investigations have resulted in arrests and changes to public and private insurance policies. In addition to actions taken in response to state investigations, three of the five states in our review have also taken steps to formally enhance their oversight of recovery homes, and the other two states have taken other steps intended to increase consistency, accountability, and quality across recovery homes.

¹⁴Although Oxford House residents are not required to attend 12-step meetings, officials told us that residents generally go to about five meetings a week.

¹⁵Oxford House, Inc. officials said that the requirement that residents remain free from alcohol and illicit drugs does not include medication-assisted treatment for opioid addiction or prescribed medication for co-occurring mental health conditions. Medication-assisted treatment is an approach that combines behavioral therapy and the use of certain medications, such as methadone and naltrexone, to suppress withdrawal symptoms, control cravings, and prevent overdose.

Florida

Officials from several state agencies and related entities described investigations into fraud related to recovery housing in southeastern Florida as extensive, although the scope of the fraud within the industry is unknown.¹⁸ In 2016, the state attorney for the 15th judicial circuit (Palm Beach County) convened a task force composed of law enforcement officials tasked with investigating and prosecuting individuals engaged in fraud and abuse in the SUD treatment and recovery housing industries.¹⁹ The task force found that unscrupulous recovery housing operators or associated SUD treatment providers were luring individuals into recovery homes using deceptive marketing tactics.²⁰ Deceptive marketing practices included online or other materials that willfully misdirected individuals or their family members to recruiters with the goal of sending these individuals to specific treatment providers, in order to receive payments from those treatment providers for patient referrals. According to officials from the Florida state attorney's office, these individuals, often from out of state, were lured with promises of free airfare, rent, and other amenities to recover in southern Florida's beach climate. Recruiters brokered these individuals to SUD treatment providers, who then billed their private insurance plans for extensive and medically unnecessary urine drug

¹⁸An official with the state's NARR affiliate told us that the estimated scope of Florida's recovery housing fraud encompassed 110 (recovery or treatment) beds and \$1 billion in fraudulent private insurance billing in 1 year.

¹⁹In 2016, the Florida legislature appropriated \$275,000 to the state attorney for the 15th Judicial Circuit (Palm Beach County) to conduct a study to strengthen investigation and prosecution of criminal and regulatory violations within the substance abuse treatment industry. In response, the state attorney's office formed three task forces in 2016. In addition to the law enforcement task force, the other two task forces—composed of community and industry members, state agency officials, and other individuals—were charged with studying fraud in the recovery housing industry further and making recommendations for regulatory changes. Also in 2016, the state attorney empaneled a grand jury to investigate how state agencies were addressing the proliferation of fraud and abuse within the SUD treatment industry and to make appropriate recommendations on how these agencies could better perform their duties to ensure that vulnerable populations and communities are protected. In 2017, the state legislature appropriated \$300,000 to the state attorney's office to continue its activities.

²⁰Florida State Attorney, 15th Judicial Circuit, *Palm Beach County Sober Homes Task Force Report: Identification of Problems in the Substance Abuse Treatment and Recovery Residence Industries with Recommended Changes to Existing Laws and Regulations* (Palm Beach County, Fla.: January 2017).